

BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION
BOARD OF DIRECTORS MEETING MINUTES

June 21, 2013 – 9:00 AM

Edward A. Rath County Office Building, Room 1004

Call to Order by Chairwoman Maria R. Whyte.

ATTENDANCE:

Board Members: Chairwoman Maria R. Whyte, Christina Orsi, Joseph L. Maciejewski, Joseph Hogenkamp, Timothy Ball, James Comerford, Jr., David Comerford, Frank E. Krakowski

Excused: Brendan Mehaffy, Donna J. Estrich, Michael Siragusa

GUESTS:

R.J. Ball (ESD); Jim Hartz (T. Tonawanda); Thomas J. Dearing (ECDEP); Jennifer Sepulveda-Beltre (COB/OSP); Martin Polowy (EC Law Dept.); Josh Pennel (Assemblyman Sean Ryan's Office)

HAND OUTS:

Agenda; Minutes of May 17, 2013 Board Meeting; Memorandum from Richard Tobe, Deputy County Executive Subject: Land Bank Bidding and Surplus Funds.

NEW BUSINESS:

1. Roll Call
2. Approval of Minutes: Motion to approve by David Comerford, seconded by James Comerford. Motion carried as unanimously approved.
3. Amendments to the Land Bank Act: Josh Pennel of Assemblyman Ryan's Office: Amendments to Land Bank Act. Bill# 7245A Josh Pennel presented the Board Members with the final copy of Bill# 7245A. The Assembly and the Senate had passed the bill which is now awaiting the Governor's signature. Maria R. Whyte would be sending a letter from BENLIC thanking Assemblyman Ryan and Senator Grisanti for all the help in updating this legislation, along with the WNY Delegation for their work (asking Brendan Mehaffy to co-sign). Legislation enabling tax act counties to make a super bid at foreclosure auction. The legislation also increased the number of board members on the Land Bank to 15 members vs. the original 11 members. This would allow the City of Niagara Falls to join the BENLIC Board. Maria R. Whyte to send a letter of support for this legislation to the Governor's Office.

4. Memos:

- a. Constitutional Taking: Maria R. Whyte presented to the Board three options that the BENLIC could use for property selection:
 - Land Bank would foreclose on a property
 - Land Bank would Bid at the County Auction for a property.
 - Properties would be donated to the BENLIC by mortgage banks.
- b. The County's concern regarding Item #2 would be the Land Bank would be bidding just the back taxes would be a constitutional taking of surplus funds that the owner of the property would be entitled to. The County's position as stated in the memo from Martin Polowy is that as long as the municipality takes adequate steps to notify the owners of the charges due and the foreclosure, the Land Bank's Exercise of a preemptive Bid does not violate the Constitution. It would be the recommendation of the BENLIC Board to include language in foreclosure notice regarding BENLIC preemptive bid.
- c. Lien Forgiveness and Make Whole Provision: Item that needs to be worked out between the County legislators and BENLIC.
- d. Tax Recapture Agreement: Suggestion is that the Land Bank should not pay back taxes to the County for a property that is "underwater" and the building has been demolished.
- e. Property Selection Update:
 - a) Properties on which the Land Bank may make foreclosure. The Village of Angola and the Town of Cheektowaga have been sent a request for the MDR and Inspection report before a decision can be made.
 - 59 North Main, Angola
 - 3048 William Street, Cheektowaga
 - 44A Winwood, Cheektowaga
 - b) Properties on which the Land Bank will bid at the County's Auction: "currently under review by County administration" are:
 - 68 Sunset Court, Amherst
 - 15 Glenside Court, Tonawanda
 - c) Properties that may be donated to the Land Bank. Charlie Markel, councilman in Town of Cheektowaga is looking into REO Bank Properties. Suggested Properties are:
 - 427 French Rd by Wells Fargo
 - 18 Lorraine by Bank of America

5. Fundraising: The Land Bank will apply for NYPA funding, \$100,000 per year for each year in 2013, 2014 2015. This matching grant which the County Executive has said would be budgeted for in the 2014 and 2015 years in the amount of \$100,000 each. The object of the NYPA funds would be for staffing within BENLIC.
6. University of Pittsburgh Conference: Attended by Maria Whyte and others regarding the New Legislation just passed by the Pennsylvania legislature regarding formation of land banks. Maria Whyte found the conference very enlightening and educational.

Next Meeting: July 19, 2013 Board of Directors at 9:00 a.m.
 July 11, 2013 Land Bank Working Group at 1:00 p.m.
 Location: Rath County Office Building, Room 1004

Adjournment: A motion to adjourn was made by Joseph Maciejewski and seconded by Joseph Hogenkamp. The motion was carried unanimously.

Recorded by: Frank E. Krakowski, Secretary
Submitted for Approval by: Frank E. Krakowski, Secretary
Adopted by BENLIC Board Members on July 19, 2013